

FROM: (Name and Address of Assessor)

Parcel No.

2003

**2003 PERSONAL PROPERTY STATEMENT
(As of 12-31-02) L-4175**

Please file by February 1, 2003. Read instructions carefully.
Additional notices are found in the instructions. Form approved by
STC on 10-08-02. Issued under authority of P.A. 206 of 1893.

TO: (Name and Address of Taxpayer)

Location(s) of Personal Property Reported on This Statement.
LIST ALL LOCATIONS. Attach additional sheets if necessary.

Legal Name of Taxpayer		Check One Only		Date of Organization	Date Business Began at Above Location
Address Where Personal Property Records are Kept		<input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability Co.		Assumed Names Used by Legal Entity, if any	
Name of Person in Charge of Records	Taxpayer Telephone No.	MI ID# _____		Names of Owner(s) or Partners (If sole proprietorship or partnership)	
Description of Taxpayer's Business Activity	Sq. Ft. Occupied	<input type="checkbox"/> Corporation MI ID# _____			
Preparer's Name, Address and Telephone No.		Michigan Sales Tax No.		If Sole Proprietorship, Taxpayer's Residential Address	

SUMMARY AND CERTIFICATION. Complete ALL questions.

- Have you excluded any exempt "Special Tools" from this statement? ☐ Yes ☐ No If Yes, state total original cost excluded _____
- Have you excluded any air and water pollution control facilities and/or wind or water energy conservation devices for which an exemption certificate has been issued? ☐ Yes ☐ No If Yes, attach itemized list.
- Have you, to the best of your knowledge, reported all of your assessable tangible personal property located in Michigan to the appropriate assessment jurisdiction? ☐ Yes ☐ No If No, attach explanation.
- Did you hold a legal or equitable interest in personal property assessable in this jurisdiction which you have not reported on this statement (see instructions)? ☐ Yes ☐ No If Yes, attach itemized list.
- Are you a party (as either a landlord or a tenant) to a rental or lease agreement relating to real property in this jurisdiction? ☐ Yes ☐ No If Yes, complete Section O.
- Have any of your assets been subjected to "rebooking" of costs for accounting purposes or been purchased used (see instructions)? ☐ Yes ☐ No If Yes, attach itemized list.
- Is any of your property "daily rental property," per P.A. 537 of 1998? ☐ Yes ☐ No If Yes, attach Form 3595.
- Have you reported all fully depreciated or expensed assets that are assessable? ☐ Yes ☐ No
- Are other businesses operated at your location(s)? ☐ Yes ☐ No If Yes, attach itemized list.

Enter Zero if appropriate.

10. Grand total from page 2	10a.	
11. Grand total from page 3	11a.	
12. Grand total from page 4	12a.	
13. Total cost of Idle Equipment from Form 2698	13a.	
14. Total cost of Personal Property Construction in Progress	14a.	X .50
15. Total cost of Cable Television and Utility Assets from Form 3589	15a.	
TOTAL		

Assessor Calculations	
10b.	
11b.	
12b.	
13b.	
14b.	
15b.	

The undersigned certifies that he/she is an owner, officer and/or the duly authorized agent for the above named taxpayer and that the above summary, with its supporting documents, provides a full and true statement of all tangible personal property owned or held by the taxpayer at the locations listed above on December 31, 2002.

Signature of Certifier	Date
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ASSESSOR'S ADJUSTMENT(S)
EXEMPTION(S)
TRUE CASH VALUE
ASSESSED VALUE (50% of TCV)

INSTRUCTIONS. Read carefully to obtain directions for the allocation of your personal property to Sections A - N.

All Tangible Personal Property in your possession at this location, including fully depreciated and expensed assets, must be reported in one of the Sections A through N. If you had "Move-Ins" of used property, you must also complete Form 3966. "Move-Ins" are items of assessable personal property (hereafter referred to as "property") that were not assessed in this city or township in 2002, including (1) purchases of used property, (2) used property you moved in from a location outside this city or township, (3) property that was exempt in 2002 (such as exempt Industrial Facilities Tax property), and (4) property that you mistakenly omitted from your statement in 2002. "Move-Ins" DO NOT include property that has been moved from another location WITHIN this city or township or that was assessed to another taxpayer within this city or township in 2002 (i.e., property reported by a previous owner or previously leased property reported by the lessor in 2002). All "Move-Ins" must be reported on this page 2 and on Form 3966. Do not report 2002 acquisitions of new property on Form 3966. Fields can not accept figures greater than one billion.

Did you have "move-ins"? ☐ Yes ☐ No

SECTION A: Including Furniture and Fixtures			Assessor Calculations
2002		.91	
2001		.80	
2000		.69	
1999		.61	
1998		.53	
1997		.47	
1996		.42	
1995		.37	
1994		.33	
1993		.29	
1992		.27	
1991		.24	
1990		.22	
1989		.19	
1988		.12	
Prior		.12	
TOTALS	A1		A2

SECTION B: Including Machinery and Equipment			Assessor Calculations
2002		.89	
2001		.76	
2000		.67	
1999		.60	
1998		.54	
1997		.49	
1996		.45	
1995		.42	
1994		.38	
1993		.36	
1992		.33	
1991		.31	
1990		.29	
1989		.28	
1988		.23	
Prior		.23	
TOTALS	B1		B2

SECTION C: Including Rental Videotapes and Games			Assessor Calculations
2002		.76	
2001		.53	
2000		.29	
1999		.05	
Prior		.05	
TOTALS	C1		C2

COST GRAND TOTAL (for page 2)

TAXPAYER: Add totals from cost columns of Sections A-F (A1-F1). Enter grand total here and carry to line 10a, page 1.

\$

SECTION D: Including Office, Electronic, Video and Testing Equipment			Assessor Calculations
2002		.84	
2001		.64	
2000		.55	
1999		.49	
1998		.44	
1997		.41	
1996		.38	
1995		.35	
1994		.33	
1993		.31	
1992		.29	
1991		.28	
1990		.26	
1989		.25	
1988		.17	
Prior		.17	
TOTALS	D1		D2

SECTION E: Including Consumer Coin Operated Equipment			Assessor Calculations
2002		.92	
2001		.85	
2000		.77	
1999		.69	
1998		.61	
1997		.54	
1996		.46	
1995		.38	
1994		.30	
1993		.23	
1992		.15	
Prior		.15	
TOTALS	E1		E2

SECTION F: Including Computer Equipment			Assessor Calculations
2002		.60	
2001		.44	
2000		.32	
1999		.24	
1998		.19	
1997		.15	
1996		.08	
Prior		.08	
TOTALS	F1		F2

TRUE CASH VALUE GRAND TOTAL (for page 2)

ASSESSOR: Add True Cash Value totals from Sections A-F (A2-F2). Enter grand total here and carry to line 10b, page 1.

\$

SECTION G - Other Assessable Personal Property Which You Own

Assessable Tangible Personal Property in your possession that is not entitled to depreciation under Generally Accepted Accounting Principals (GAAP) (e.g. fine art) or that the assessor has told you to report in this section or that is otherwise described in the instructions should be reported under this section. Any Personal Property reported in this section should not be reported elsewhere on Form L-4175. See instructions. Attach additional sheets, if necessary.

Description of Property	Acquisition Cost New	Acquisition Year	True Cash Value Assessor's Calculations
Total Acquisition Cost New	G1		G2

SECTION H - Assessable Tooling

You must report your assessable tooling in this Section. Complete both columns. Notice that GAAP (Generally Accepted Accounting Principals) net book value, as reported in this section, must implement accounting "changes in estimate", even if not otherwise material. Any Personal Property reported in this section should not be reported elsewhere on Form L-4175. See Instructions.

Acquisition Year	Acquisition Cost New	GAAP Net Book Value
2002		
2001		
2000		
Prior		
Total Acquisition Cost	H1	H2

SECTION I - Qualified Personal Property

INCLUDE ONLY "Qualified Personal Property" as defined by Michigan Compiled Laws 211.8a (6)(c). See instructions. Attach extra schedules, if necessary, following the same format as below. Any Personal Property reported in this section should not be reported elsewhere on Form L-4175.

Description of Equipment and Model or Serial Number	Owner Name and Complete Mailing Address	Original Cost Installed	Date of Installation	Lease Term In Months	Year of Manufacture	Total Average Monthly Rental	%	TCV to be Completed by Assessor
Total Installed Cost	I1							I2

SECTION J - Leased Property in Your Possession Which Is Not Qualified Personal Property

Property you are leasing from another person or entity should be reported under this section. "Qualified" Personal Property should be reported under Section I. See instructions. Attach additional sheets if necessary. Any Personal Property reported in this section should not be reported elsewhere on Form L-4175.

Lease No.	Name & Address of Lessor	Description of Equipment	Lease Term (in months)	Monthly Rental	1st Year in Service	Selling Price New (estimate, if necessary)
Total Selling Price New						J1

SECTION K - Other Personal Property in Your Possession Which You Do Not Own

Property not owned by you but in your possession on December 31, 2002 under arrangements other than a lease agreement should be reported under this section. See instructions. Any Personal Property reported in this section should not be reported elsewhere on Form L-4175. Attach additional sheets if necessary.

Name & Address of Owner	Description of Equipment	Age (estimate if necessary)	Selling Price New (estimate, if necessary)
Total Selling Price New			K1

COST GRAND TOTAL (for page 3)

TAXPAYER: Add Total Costs and Selling Prices from Sections G-K (G1-K1). Enter grand total here and carry to line 11a, page 1.

\$

TRUE CASH VALUE GRAND TOTAL (for page 3)

ASSESSOR: Add True Cash Value totals from Sections G-I (G2-I2). Enter grand total here and carry to line 11b, page 1.

\$

SECTION L - Detail of Leases (This Section is Completed by Leasing Companies)

Page 4

Equipment that you lease to others should be reported under this section. Notice: You must also complete Sections A - F on Page 2. See instructions. You may use attachments in lieu of completing this section if the attachments contain the information requested below, in the same format, and if you complete the Tables on Page 2. Attach additional sheets, if necessary.

Are you a manufacturer of equipment? ☐ Yes ☐ No

Lease No.	Name & Address of Lessee	Location of Equipment	Type of Equipment	Lease Period (Mo.)	Monthly Rental	1st Year in Service	Manufacturer Cost	Original Selling Price
Total Original Selling Price								

SECTION M - Leasehold Improvements

All Leasehold Improvements made at your place of business should be reported under this section, even if you believe that the improvements are not subject to assessment as Personal Property. Provide as much detail as possible so that the assessor can determine whether an assessment should be made. You may attach additional explanation and/or copies of "fixed asset" records, if the documents attached provide all of the information requested below and if you insert the total original cost in "Total Cost Incurred" below. Trade fixtures and installation costs of machinery and equipment must be reported in Sections A through I. See instructions. Any Personal Property reported in this section should not be reported elsewhere on Form L-4175.

☐ Check this box if you are the owner of these Leasehold Improvements under the terms of the lease agreement between you and the landlord.

Year Installed	Description (Describe in detail)	Original Cost	STC Multiplier	True Cash Value Assessor's Calculation
Total Cost Incurred		M1		M2

SECTION N - Buildings and Other Structures on Leased or Public Land

Freestanding Communications Towers, Equipment Buildings at Tower sites and Freestanding Billboards must also be reported under this Section. Any Personal Property reported in this section should not be reported elsewhere on Form L-4175. Attach additional sheets, if necessary.

☐ Check this box if you believe that these structures are already assessed as part of the real property.

Address or Location of Building	Year Originally Built	Total Capitalized Cost	True Cash Value Assessor's Calculation
Total Capitalized Cost		N1	N2

SECTION O - Rental Information. See Instructions. (Attach additional sheets, if necessary.)**IF YOU ARE THE TENANT**

Name and address of landlord _____

Is your landlord the owner of the property? ☐ Yes ☐ No If you are a sublessee, enter the name and address of the owner of the property _____

IF YOU ARE THE LANDLORD

Name and address of tenant _____

Are you the owner of the property? ☐ Yes ☐ No If you are a sublessor, enter the name and address of the owner of the property _____

TO BE COMPLETED REGARDLESS OF WHETHER YOU ARE THE LANDLORD OR TENANT

Address of property rented or leased _____

Date that current lease or rental arrangement started _____.

Date current lease will expire, if other than a month to month tenancy _____. Monthly rental \$_____

Are there options to renew the lease? ☐ Yes ☐ No

Expenses (e.g. taxes, electric, gas, etc.) paid by the tenant _____

Square feet of space occupied by the tenant _____

Assessor Value**O2****COST GRAND TOTAL** (for page 4)

TAXPAYER: Add Total Cost Incurred from Section M and Total Capitalized Cost from Section N (M1 and N1). Enter grand total here and carry to line 12a, page 1.

\$

TRUE CASH VALUE GRAND TOTAL (for page 4)

ASSESSOR: Add True Cash Value totals from Sections M-O (M2-O2). Enter grand total here and carry to line 12b, page 1.

\$

INSTRUCTIONS TO FORM L-4175

NOTICE: This form is issued under authority of the General Property Tax Act. **Filing is mandatory.** For willful failure thereof, you are liable to imprisonment for a period of not less than thirty days nor more than six months, or to a fine of not less than \$100 nor more than \$1,000, or both such fine and imprisonment in the discretion of the court. See MCL 211.21.

CAUTION: Read these instructions carefully before filling this form out. **You must complete all sections.** Because this form has been coded, it is imperative that it be returned to assure proper processing. If all of the personal property formerly in your possession has been removed from this assessing unit before December 31, 2002, it is imperative that you notify the assessor at once in order that records pertaining to your property may be changed accordingly. This statement is subject to audit by the State Tax Commission, the Equalization Department or the Assessor. **Failure to file this form by its due date will jeopardize your right to file a Section 154 Appeal with the State Tax Commission.** You are advised to make a copy of the completed statement for your records. This form must be filed in the city or township where the personal property is located on December 31, 2002. Do not file this form with the State Tax Commission unless you have been specifically instructed to do so by the Commission's staff.

Although you must complete all sections of this form, you are not required to file pages that do not contain any reported cost. You must, however, insert a zero entry in the appropriate line(s) 10, 11 and/or 12 of the "Summary and Certification" on page 1 to indicate that you have no costs to report for that page; you must complete and file section O if you are a landlord, a lessee or a sub-lessee. In completing this form, you may not use attachments in lieu of completing a section, unless the instructions **specifically** authorize the use of attachments for completing the section.

FACSIMILE SIGNATURES: This form must be signed at the bottom of page 1. P.A. 126 of 1996 provides that a facsimile signature may be used provided the person using the facsimile signature has filed with the State Tax Commission a signed declaration, under oath, using form 2995. This form can be obtained by writing the Commission at P. O. Box 30471 Lansing MI 48909-7971. A facsimile signature is a copy or a reproduction of an original signature.

GENERAL EXPLANATION: The Michigan Constitution provides for the assessment of all real and tangible personal property not exempted by law. Tangible personal property is defined as tangible property that is not real estate. Form L-4175 is used for the purpose of obtaining a statement of assessable personal property for use in making a personal property assessment. Michigan law provides that the assessor must send form L-4175 to any person or entity that may possess assessable personal property. Michigan law also provides that a person or entity receiving a form L-4175 must complete it and return it to the assessor by the statutory due date, even if they have no assessable property to report. If you had assessable personal property in your possession on December 31, 2002, you must submit a completed form L-4175 to the assessor of the community where the property is located by the statutory due date, even if the assessor does not send you a form to complete.

COMPLETION OF FORM L-4175

Page 1 - Statistical Information:

FROM: Insert name and address of the assessor if you are using a form not provided by the assessor. Often this form must be filed

at an address different than the assessor's mailing address for other purposes. It is your responsibility to assure that this form is sent to the correct address. If you are unsure of the mailing address, call your local assessor or county equalization department.

TO: If you are not using a pre-printed form, insert your name and address. Use the address at which you wish to receive future forms and tax billings. If your form is pre-printed with an incorrect address, line out the incorrect portions and write the corrections.

Parcel No.: Unless this is an initial filing, you have already been assigned a parcel number. If you are using a form not provided by the assessor, you must insert the correct parcel number. Failure to insert your parcel number may result in a duplicate assessment.

Location(s) of Personal Property...: List the street addresses of all locations that are being reported on this statement. Locations in different school districts or lying within the boundaries of designated authorities or districts must be reported separately. All locations in the same authority or district must be reported under one account, unless the assessor has directed otherwise. You must file a separate statement for property on which the tax is abated pursuant to P.A. 198 of 1974 (I.F.T.) or P.A. 328 of 1998 (certain new personal property).

Legal Name of Taxpayer: Insert the taxpayer's exact legal name

Address Where Personal Property Records Are Kept: Insert the address where the records used to complete this statement are kept. Only insert the address of an agent if that agent has actual possession of **all** documents necessary to conduct an audit.

Name of Person in Charge of Records: Insert the name of the person at the address where the records are kept who has actual control of the documents necessary to conduct an audit.

Telephone No.: Insert the telephone number of the person having charge of the records used for filing.

Description of Taxpayer's Business activity: Insert a descriptive phrase indicating the nature of the taxpayer's business activity.

Square Feet Occupied: Insert the number of square feet of space occupied by the taxpayer at the location(s) reported.

Preparer's Name and Address: Insert the name, address and phone number of the person who has prepared this statement.

(Check One): Check the appropriate box indicating the form of legal organization used by the taxpayer in conducting its business. If the taxpayer is organized as a corporation or a limited liability company, insert the Michigan corporate identification number of the business or, if not authorized to do business in Michigan, the name of the state in which it is organized.

Michigan Sales Tax No.: Insert the taxpayer's Michigan Sales Tax Number.

Date of Organization: Insert the date that the taxpayer's business was first organized or commenced.

Date Business Began at Above Location: Insert the date that the taxpayer first commenced business at a location reported on this statement.

Assumed Names. . .: State any assumed names used by the taxpayer in conducting its business at the location(s) reported.

Names of Owners or Partners: If the taxpayer is a sole proprietorship or a partnership, list the name(s) of the proprietor or partners.

If Sole Proprietorship, Taxpayer's Residential Address: Insert sole proprietor's actual residence address. Do not use mailing address, if different than residence address.

Page 1 – Summary and Certification:

Page 1, Line 1: "Special Tools" are exempt from taxation, pursuant to MCL 211.9b. If you are excluding "special tools" from your statement, you must check "Yes" and insert the amount of original cost excluded. "Special tools" means those finished or unfinished devices, such as dies, jigs, fixtures, molds, patterns and special gauges used or being prepared for use in the manufacturing function for which they are designed or are acquired or made for the production of products or models and are of such specialized nature that their utility and amortization cease with the discontinuance of such products or models. Only industrial tools in the nature of dies, jigs, fixtures, molds, patterns and special gauges can qualify for this exemption. Personal property not directly used to carry out a manufacturing process or which is specialized machinery, is not a "special tool." Dies, jigs, fixtures, molds, patterns, gauges, or other tools that are not "special tools" should be reported at full acquisition cost new under Section H of this form.

Page 1, Line 2: Air and water pollution control facilities and/or wind or water energy conservation devices may qualify for exemption from taxation, only if an exemption certificate has been issued by the State Tax Commission on or before December 31, 2002. If you claim such an exemption, check "Yes" and attach an itemized listing of the certificate numbers, dates of issuance and amounts.

Page 1, Line 3: You must file a completed Form L-4175 with the assessor of every Michigan assessment jurisdiction in which you had assessable personal property on December 31, 2002. If you have fulfilled this obligation, check "Yes". If you have not filed in every required jurisdiction, attach an explanation.

Page 1, Line 4: The purpose of this question is to determine whether you are a party to a contract relative to personal property located in this jurisdiction on December 31, 2002 that you have not reported on this statement, perhaps because of your belief that another party to the contract is the proper party to report. This includes situations where you believe you hold only a security interest in personal property, in spite of the fact that the contract is labeled a "lease." If you answered "yes" to this question, attach a rider that includes the name(s) of the interest holder(s), the nature of your interest, a description of the equipment, the year the equipment was originally placed in service, its original selling price when new and the address where the property was located on December 31, 2002.

Page 1, Line 5: Check "Yes" if you are a lessor (landlord), a lessee (tenant) or a sub-lessee (sub-tenant) in a rental contract relating to the real property at this location. MCL 211.8(i) provides that, under some circumstances, the value, if any, of a sub-leasehold estate shall be assessed to the lessee. If you check "Yes," complete Section O. Your rental arrangement will be analyzed by the assessor. If you check "Yes" and have made leasehold improvements to the real estate, you must also complete Section M. Your completion of Sections M and O will not necessarily result in an increased assessment.

Page 1, Line 6: The valuation multipliers contained in Sections A through F on Page 2 are intended to be applied to the acquisition cost of new, not used, personal property. If the acquisition cost new of an asset is known to you or can be reasonably ascertained through investigation, you must report that cost in

the year it was new when you complete Sections A through F, even if you have adjusted the cost in your accounting records to reflect revaluation of the asset using a "purchase," "push-down" or similar accounting methodology or even if your booked cost reflects a "used" purchase, lease "buy-out" price or a "trade-in" credit. If you were unable to report the acquisition cost new for one or more of your assets, you should check "Yes" and attach a list of all such assets. On the list, provide a detailed description of each asset, the year or approximate year that the asset was new, and the amount and acquisition year at which you have reported the asset. You must also provide a written explanation of the reason(s) that the original acquisition cost information is not available.

Page 1, Line 7: "Daily rental property" is tangible personal property, having a cost **new** of \$10,000, or less, that is exclusively offered for rental, pursuant to a written agreement, on an hourly, daily, weekly or monthly basis for a term of 6 months or less (including all permitted or required extensions). If you acquired the property "used" you must determine the cost new for purposes of determining whether the property qualifies for "daily rental property" treatment. If you believe that you have such property, see Form 3595, *Property Statement - Daily Rental Property*, for additional information. If you qualify you must complete Form 3595 and comply with the requirements set forth therein.

Page 1, Line 8: You are required to report all tangible personal property in your possession in this location **even if the property has been fully expensed or depreciated for federal income tax or financial accounting purposes**. If you answer "No" attach a detailed explanation.

Page 1, Line 9: This question requires you to disclose other businesses that share space with you at the location(s) of your business. If you answer "Yes" attach a list of all other businesses operating at your location(s). If you are located in a shopping center, office building or other multi-tenant facility, you are not required to list businesses having a different legal address.

Page 1, Line 10: Complete Sections A through F, page 2, and add the Totals from Sections A through F to arrive at a Cost Grand Total. Insert the Cost Grand Total in the box indicated at the bottom of Page 2 and carry that amount to Page 1, Line 10a.

Page 1, Line 11: Complete Sections G through K, page 3, and add the Totals from Sections G through K to arrive at a Cost Grand Total. Insert the Cost Grand Total in the box indicated at the bottom of Page 3 and carry the amount to Page 1, Line 11a.

Page 1, Line 12: Complete Sections L through O, page 4, and add the Totals from Sections M and N to arrive at a Cost Grand Total, as directed by the instruction at the bottom of the page. Insert the Cost Grand Total in the box indicated at the bottom of Page 4 and carry the amount to Page 1, Line 12a.

Page 1, Line 13: If you had assets that qualified as "idle equipment" or as "obsolete or surplus equipment" on December 31, 2002, complete Form 2698, *Idle, Obsolete and Surplus Equipment*, and carry the Total Original Cost from Form 2698 to line 13a.

"Idle equipment" is equipment that has been disconnected and is stored in a separate location. Assets are **not** "idle" if they are present as stand-by equipment, are used intermittently or are used on a seasonal basis. "Obsolete or surplus equipment" is equipment that either requires rebuilding and is in the possession of a rebuilding firm on December 31, 2002 **OR** is being disposed of by means of an advertised sale because it has been declared as surplus by an owner who has abandoned a process or plant.

For more information, see instructions to Form 2698. Do not include these assets elsewhere on this form.

Page 1, Line 14: Report the total cost incurred for Construction in Progress, as calculated on an accrual basis, based on the extent of physical presence of the construction in progress in the assessment jurisdiction. Construction in Progress is property of a personal property nature that has never been in service and was in the process of being installed on December 31, 2002. Do not report partially constructed electric generating facilities as Construction in Progress. Such facilities must be reported on Form 2870, *Real Property Statement*.

Page 1, Line 15: If you had cable television or utility assets on December 31, 2002, complete Form 3589, *Cable Television and Public Utility Personal Property Report*, and carry the Total Original Cost from Form 3589 to line 15a. See the instructions to Form 3589.

Page 2 - General Instructions to Sections A through F:

You must report in these Sections the full acquisition cost new, in the year of its acquisition new, of all machinery and equipment, computer equipment, furniture and fixtures, signs, coin operated equipment, office equipment, electronic, video and testing equipment, rental video tapes and games and other tangible personal property owned by you and located in this assessment jurisdiction, **even if you have fully depreciated the asset or have expensed the asset under Section 179 of the Internal Revenue Code or under your accounting policies. All costs reported must include freight, sales tax and installation.** Capitalized expenditures made to a piece of machinery or equipment after the initial acquisition year must be reported in the year the expenditure is booked as a fixed asset. These costs must be reported the same as they are shown on your financial accounting fixed asset records, assuming that you account using Generally Accepted Accounting Principles. You must also report in these Sections any other tangible personal property in your possession or under your control in this jurisdiction that is not reported under Sections G through N. If you purchased an asset used, and do not know and cannot ascertain the acquisition cost new, attach the list required by the Page 1, Line 6 instructions. The acquisition costs for the assets reported under each Section must be totaled for each acquisition year. Place the yearly total on the line of the Section corresponding to the year that the property was acquired. You must report the original acquisition cost, **not** your estimation of the value of the property. Equipment not fully installed on December 31, 2002 should be reported on Page 1, Line 14 and should not be reported in these Sections. Property that was reported as construction in progress **last** year but which was placed in service on or before December 31, 2002 should be entirely reported on the 2002 acquisition line of the appropriate Table, not the 2001 line. Similarly, the cost of all assets must be reported as acquired in the year that they were placed in service, rather than the year of purchase, if those years differ.

Leased assets and "daily rental property" must be reported by the **Owner** on Sections A through H in the same manner as other property. An itemized listing of the property must also be made on Section L (for leased assets) or pursuant to the requirements of the instructions for Page 1, Line 7 (for daily rental assets).

All leased and daily rental assets must be reported by, and must be assessed to, the owner, in spite of any agreement to the contrary between the parties to the lease or rental agreement, unless the property is "qualified personal property" or is owned by a bank. Leased and rental property must be reported at selling

price new, even if the owner is the manufacturer of the asset or acquired the asset in the wholesale market for an amount less than the price that the end-user would have incurred to purchase the asset. If the asset is of a type that it is never sold to an end-user or if you have constructed the asset for your own use, report the price at which the asset would sell if a market sale did occur. See STC Bulletin 1 of 1999.

The cost reported in each of the Sections of this form and on the forms used with this form should include the full invoiced cost, without deduction for the value of certain inducements such as service agreements and warranties when these inducements are regularly provided without additional charge.

Inventory is exempt from assessment. Inventory does not include personal property under lease or principally intended for lease or rental, rather than sale. Property allowed a cost recovery allowance or depreciation under the Internal Revenue Code is not inventory. Motor vehicles registered with the Michigan Secretary of State on December 31, 2002 are exempt.

Non-registered motor vehicles and equipment attached to motor vehicles which is not used while the vehicle travels on the highway are assessable. Computer software, if the purchase was evidenced by a separate invoice amount and if the software is commonly sold separately, is exempt.

If you have had "Move Ins" of used property during calendar year 2002, you must complete Form 3966, in addition to completing form L-4175. You can obtain Form 3966 from the Michigan Department of Treasury Web Site (www.michigan.gov/treasury) or from your local assessor. "Move-Ins" are items of assessable personal property that were not assessed in this city or township in 2002, including: acquisitions of previously used personal property (which should be reported in the year it was new and at the cost when new); used personal property you have moved in from outside this city or township; personal property that was exempt in 2002 (such as exempt Industrial Facilities Tax property); and personal property that you mistakenly omitted from your statement in 2002. "Move-Ins" **do not include** property moved from another location **within** this city or township or assessed to another taxpayer **within** this city or township in 2002 (i.e. property reported by a previous owner or previously leased property reported by the lessor to this city or township last year). All "Move-Ins" must be reported in the appropriate Section of Form L-4175, in addition to being reported on Form 3966. **Do not report** 2002 acquisitions of new property on Form 3966.

In completing Form L-4175 you must report the cost of business trade fixtures in the appropriate Section, A through F, rather than in Section M where you report leasehold improvements. You must also report the costs of installing personal property in the appropriate Section, A through F. Trade fixtures and installation costs of machinery and equipment must not be reported in Section M, even if you have booked them as leasehold improvements for financial accounting purposes. Trade fixtures are items of property that have been physically attached to real estate by a tenant to facilitate the tenant's use of the property for business purposes and which are both capable of being removed and are removable by the tenant under the terms of the lease. Examples of trade fixtures are certain costs related to telephone and security systems and most signs. Examples of installation costs are the costs of machine foundations and electric, water, gas and pneumatic connections for individual manufacturing machines.

The costs of an electrical generating facility, including the costs of all attached equipment that is integrated as a component in accomplishing the generating process, such as boilers, gas

turbines and generators, are not reported on this form. An exception is a small, movable generating unit that has a fixed undercarriage designed to allow easy movement of the unit from place to place to provide temporary electric power. The costs associated with a generating facility that does not have a fixed undercarriage must be reported to the assessor on Form 2870, *Real Property Statement*. The costs associated with small, movable electrical generation units that have a fixed undercarriage and the costs associated with other unattached, movable machinery and equipment used at generating facilities, such as front loaders, forklifts, etc. are reported in Section B of this form. A summary of the items that should be reported in each Section is provided below. For full listings, refer to STC Bulletin 12 of 1999 and its later annual supplement(s). These Bulletins, along with forms and other Bulletins can be accessed at the Web site www.michigan.gov/treasury. MCL 211.19 requires that you complete this form in accordance with the directions on the form and in these instructions. You may, however, attach supplementary material for the assessor to consider in making his or her valuation decisions. If you have questions regarding proper classification, contact your local assessor or the State Tax Commission for clarification.

Completion of Section A, Page 2: The assets to be reported on this Section include decorations, seating, furniture (for offices, apartments, restaurants, stores and gaming establishments), shelving and racks, lockers, modular office components, cabinets, counters, rent-to-own furnishings, medical exam room furnishings, therapeutic medical beds and bedding, bookcases, displays, mobile office trailers, special use sinks (such as those found in medical offices, beauty shops and restaurants), tables, non-electronic recreational equipment, filing systems, slat walls, non-freestanding signs, window treatments, uniforms and linens, cooking, baking and eating implements, shopping carts, booths and bars. Other assets may be included at a later time.

Completion of Section B, Page 2: The assets to be reported in this Section include all assets that are not designated for disclosure in another Section. Specifically, such assets include the following types of machinery and equipment: air compressors, airport ground, non-coin operated amusement rides and devices, auto repair & maintenance, beauty and barber shop, boiler, furnace, bottling & canning, crane and hoist, car wash, chemical processing, construction, unlicensed vehicular, conveyor, non-coin operated dry cleaning and laundry, air make-up and exhaust systems, manufacturing and fabricating, food processing, gym & exercise, heat treating, landscaping, sawmill, incinerators, maintenance and janitorial, non-electronic medical and dental and laboratory and veterinary equipment, mining and quarrying, mortuary & cemetery, painting, hydrocarbon refining and production and distribution, plastics, pottery & ceramics, printing and newspaper, rubber manufacturing, scales, ski lifts, smelting, stone & clay processing, supermarket, textile, tanning, vehicle mounted, waste containers, wire product manufacturing, woodworking, automated tellers (ATM), computer controlled lighting, CNC controlled manufacturing, theater equipment, restaurant food preparation and dispensing and storing and serving equipment, soft drink fountains, coin counters, beverage container return machines, storage tanks, hand tools of mechanics and trades, non-registered motor vehicles, freestanding and other safes not assessed as real property, oil and gas field equipment and gathering lines prior to commingling product with other wells, portable toilets, portable saw mills, LP tanks under 2,000 gallons,

fuel dispensing control consoles, computer-controlled printing presses, stereo lithography apparatus, forklift trucks, non-coin operated gaming apparatus and computerized and mechanical handling equipment. Other assets may be included at a later time.

Completion of Section C, Page 2: Report the acquisition cost new and the year of acquisition of rental videotapes, rental video games, rental DVD's and rental laser disks owned by you at this location. Other assets may be included at a later time

Completion of Section D, Page 2: The assets to be reported in this Section include office machines, non-computerized cash registers, copiers (including digital copiers/document processing devices), faxes, mailing and binding equipment, photography and developing equipment, shredders, projectors, telephone and switchboard systems, audio and video equipment (used for receiving, transmitting, recording, producing and broadcasting), amplifiers, CD, cassette and disc players, speakers, cable television local origination equipment, electronic scales, surveillance equipment, electronic diagnostic and testing equipment (for automotive shops, medical offices, hospitals and dental offices), ophthalmology testing equipment, satellite dishes, video-screen arcade games, electronic testing equipment, electronic laboratory equipment, cellular transmitter site equipment (except towers and land improvements and items reported under other sections of this form - see STC Bulletin 3 of 2000), cellular telephones, medical laser equipment, movable dynamometer, spectrum analyzer, security systems, 2-way and mobile land radio equipment, pay-per-view systems, wooden pallets, rental musical instruments and distributive control systems (see STC Bulletin 3 of 2000). Other assets may be included at a later time.

Completion of Section E, Page 2: The assets to be reported in this Section include consumer coin-operated equipment such as bill & change machines, juke boxes, pin ball machines, coin-operated pool tables and other non-video arcade games, snack & beverage machines, other vending machines, news boxes, laundry equipment, coin operated telephones and slot machines. Other assets may be included at a later time.

Completion of Section F, Page 2: The assets to be reported in this Section include assessable software, personal and midrange and mainframe computer and peripheral equipment, including servers, data storage devices, CPUs, input devices such as scanners and keyboards, output devices such as printers and plotters, monitors, networking equipment, computerized point of sale terminals, global positioning system equipment, lottery ticket terminals, gambling tote equipment, pager instruments, and cable television converters. Do not report digital copiers in this section even if the equipment can also be used as a computer peripheral.

A programmable logic control device for a machine should be reported in Section B with the machine it serves. Other assets may be included at a later time.

Cost Grand Total, Page 2: After you have completed Sections A through F, add together the Totals of cells A-1 Through F-1 to arrive at a Cost Grand Total. Insert the Cost Grand Total in the box indicated at the bottom of Page 2 and carry to Page 1, Line 10a.

Section G, Page 3: Report all non-exempt tangible personal property owned by you at this location that is not entitled to depreciation/cost recovery under the United States Internal Revenue Code **or** that the assessor has told you to report in this section **or** that otherwise presents special valuation problems. An example of property not entitled to depreciation/cost recovery is fine art. Examples of properties that represent special

valuation problems are: frequently supplemented professional books, wind turbine generators, feature motion picture films, audio and video productions not sold to the public at large, musical instruments used for professional performance, LP tanks of 2,000 gallons or more that have not been assessed as real property, and toll bridge company structures. Provide all requested information. An inspection of the property may be necessary. Property reported in this Section should not be reported elsewhere on this form.

Section H, Page 3: Assessable tools, dies, jigs, fixtures, molds, patterns and gauges and other manufacturing requisites of a similar nature (commonly referred to as “tooling”) will be valued at an amount equal to the net book value of the asset. Report both Acquisition Cost New and GAAP net book value by year of acquisition in this Section. See Instructions to Line 1 for information regarding the tooling that is assessable. For purposes of personal property reporting, net book value shall be as determined using generally accepted accounting principles, in a manner consistent with the taxpayer’s established methods of depreciation. The net book value for federal income tax purposes shall not be used for purposes of personal property tax reporting. If an accounting change in estimate is indicated relating to a particular asset, the net book value of that asset, as reported for personal property assessment purposes, shall be the value that would have existed for that asset on December 31, 2002 if a correct estimate had originally been made. Your obligation to implement the change in estimate for personal property reporting purposes shall not be affected by a determination that no financial accounting change in estimate is necessary due to lack of materiality. In no event shall assessable tooling be reported at an amount less than is indicated by its expected remaining useful life plus salvage value (if applicable under the depreciation method used).

Section I, Page 3: Report “qualified personal property” in this Section. Do not report “qualified personal property” in Sections A through E. “Qualified personal property” is property that was made available to you by a “qualified business” (usually a leasing company or a finance company) and which is not assessable to the “qualified business.” Such property is assessable to you as the user. The requirements for “qualified business” treatment are strict and many leasing and financing companies do not qualify. Further, such treatment only applies to property subject to an agreement (usually labeled a lease) entered into after December 31, 1993 that qualifies for treatment as “qualified personal property”. The “qualified business” is required to have filed a statement with the assessor by February 1st of the current year and is required to have made a written agreement with you in which it is **specifically** agreed that you will report the property to the assessor as “qualified personal property.” See MCL 211.8a.

Section J, Page 3: Report all business machines, postage meters, machinery, equipment, furniture, fixtures, tools, burglar alarms, signs and advertising devices and other tangible personal property that you are **renting or leasing** from another person or entity. Provide all of the information requested for each lease. You **must** provide the actual or estimated selling price new of the asset so control totals can be generated for use on the Summary and Certification portion of Page 1. MCL 211.13 provides that all tangible personal property shall be assessed to the owner thereof, unless the owner is not known. A personal property statement will be sent to the owner. Property reported in this Section should not be reported elsewhere on this form.

Section K, Page 3: Report all machines, meters, machinery, equipment, furniture, fixtures, tools, signs and advertising devices that are in your possession but are not owned, leased or rented by you. Examples include equipment left with you by vendors, such as display racks, coolers or fountain equipment, property loaned to you by another, property left with you for storage or rebuilding, consigned equipment not held for resale and assets sold but not yet picked up by the purchaser. Provide all of the information requested for each asset. You **must** provide the actual or estimated selling price new of the asset so that control totals can be generated for use on the Summary and Certification portion of Page 1. MCL 211.13 provides that all tangible personal property shall be assessed to the owner thereof, unless the owner is not known. A personal property statement will be sent to the owner.

Cost Grand Total, Page 3: After you have completed Sections G through K, add together the Totals of cells G-1 through K-1 to arrive at a Cost Grand Total. Insert the Cost Grand Total in the box indicated at the bottom of Page 3 and carry to Line 11a on Page 1.

Section L, Page 4: This Section is to be completed by leasing companies and others who lease personal property to others. In addition to completing this Section, you must complete Sections A through F and any other Sections that are applicable. You may use attachments rather than completing this Section, but only if your attachment provides all the information requested on this Section and if you insert the Total Original Selling Price where required on the form.

Section M, Page 4: This Section is to be completed by tenants who are renting or leasing real property. All improvements (leasehold improvements) you have made to the real property should be reported, even if you believe that the improvements are not subject to assessment as personal property. Provide as much detail as possible so that the assessor can determine whether an assessment should be made. You may use attachments, but only if your attachment provides all the information requested in this Section and if you insert the Total Cost Incurred where required on the form. See the instruction for Page 1, Line 5 for additional explanation.

Section N, Page 4: Report the total capitalized cost and year of construction of buildings and other structures you have placed on leased or on public lands or rights-of-way. Freestanding communications towers, associated equipment buildings and freestanding billboards are examples of other structures that are to be reported. The reported cost must include all costs capitalized on your records. See STC Bulletin 1 of 1999.

Section O, Page 4: Landlords and tenants must provide rental information relating to lease arrangements to which they are a party. Do not report lease or rental arrangements relating to property occupied for residential purposes. If you are a landlord with multiple properties, contact the assessor to arrange an acceptable alternative reporting method. See instructions for Page 1, Line 5.

Cost Grand Total, Page 4: After you have completed Sections M and N, add together the Totals of cells M-1 and N-1 to arrive at a Cost Grand Total. Insert the Cost Grand Total in the box indicated at the bottom of Page 4 and carry to line 12a on Page 1.

***NOTE:** MCL 211. 19 states that personal property statements must be completed and delivered on or before February 20 of each year.